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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY

ANTI-PINCH SOLUTIONS, LLC, Plaintiff, v. BMW OF NORTH AMERICA, LLC, Defendant.	Civil Action No. 2:10-cv-03352(WHW)(CCC) **JURY TRIAL DEMANDED** ***Filed Electronically***

BMW OF NORTH AMERICA, LLC'S ANSWER, AFFIRMATIVE DEFENSES AND COUNTERCLAIMS TO ANTI-PINCH SOLUTIONS, LLC'S COMPLAINT

Defendant BMW of North America, LLC ("BMWNA") hereby answers the Complaint of Anti-Pinch Solutions, LLC ("Anti-Pinch") as follows:

JURISDICTION

1. This is an action for patent infringement under Title 35 of the United States Code. Plaintiff is seeking injunctive relief as well as damages.

ANSWER TO PARAGRAPH 1: BMWNA admits that Anti-Pinch purports to state a claim for patent infringement arising under Title 35 of the United States Code. BMWNA admits that the Complaint seeks injunctive relief and damages.

2. Jurisdiction is proper in this Court pursuant to 28 U.S.C. §§ 1331 (Federal Question) and 1338(a) (Patents) because this is a civil action for patent infringement arising under the United States patent statutes.

ANSWER TO PARAGRAPH 2: BMWNA admits that this Court has subject matter jurisdiction over this action under 28 U.S.C. §§ 1331 and 1338(a).

3. Venue is proper in the District of New Jersey pursuant to 28 U.S.C. §§ 1391(c) and 1400(b) because Defendant is deemed to reside in this district. In addition, and in the alternative, Defendant has committed acts of infringement in this district and has regular and established places of business in this district.

ANSWER TO PARAGRAPH 3: BMWNA admits that venue over it exists in this district under 28 U.S.C. § 1391(c). However, BMWNA does not admit that this is the most appropriate or convenient forum to exercise jurisdiction over this case. Except as expressly admitted herein, BMWNA denies all allegations of paragraph 3.

4. Plaintiff Anti-Pinch Solutions, LLC is a Texas Limited Liability Company with its registered agent in Austin, Texas.

ANSWER TO PARAGRAPH 4: BMWNA is without sufficient information to admit or deny the allegations of paragraph 4, and on that basis, BMWNA denies all allegations therein.

5. Defendant BMW is a Delaware limited liability corporation with its principal office located in Woodcliff Lake, New Jersey. This Court has personal jurisdiction over BMW because BMW has its principal office in the state of New Jersey. Further, BMW has committed, and continues to commit, acts of infringement in the state of New Jersey, has conducted business in the state of New Jersey, and/or has engaged in continuous and systematic activities in the state of New Jersey.

ANSWER TO PARAGRAPH 5: BMWNA admits that it is a Delaware limited liability company with its principal place of business at 300 Chestnut Ridge Road, Woodcliff Lake, New Jersey 07677. Except as expressly admitted herein, BMWNA denies all allegations of paragraph 5.

6. On information and belief, Defendant's products that are alleged herein to infringe were and continue to be made, used, imported, offered for sale, and/or sold in the state of New Jersey and BMW's practices that are alleged herein to infringe were and continue to be conducted in the state of New Jersey.

ANSWER TO PARAGRAPH 6: BMWNA admits that it conducts business within the state of New Jersey. Except as expressly admitted herein, BMWNA denies all allegations of paragraph 6.

7. This court has personal jurisdiction over Defendant because Defendant has committed acts of infringement in this district; is deemed to reside in this district; does business in this district; and/or has systematic and continuous contacts in this district.

ANSWER TO PARAGRAPH 7: BMWNA admits that it is a Delaware limited liability company with its principal place of business at 300 Chestnut Ridge Road, Woodcliff Lake, New Jersey 07677. Except as expressly admitted herein, BMWNA denies all allegations of paragraph 7.

8. This cause of action arises under the patent laws of the United States, and in particular, 35 U.S.C. §§ 271 *et seq*.

ANSWER TO PARAGRAPH 8: BMWNA admits that Anti-Pinch purports to state a claim for patent infringement arising under the patent laws of the United States, and in particular, 35 U.S.C. §§ 271.

9. Plaintiff is the exclusive licensee of the ‘950 patent with rights to enforce the ‘950 patent and sue infringers.

ANSWER TO PARAGRAPH 9: BMWNA is without sufficient information to admit or deny the allegations of paragraph 9, and on that basis, BMWNA denies all allegations therein.

10. The ’950 patent, titled “Automatic Venting System For A Vehicle with Obstruction Detection Utilizing Dynamically Modified Thresholds,” is valid, enforceable and was duly issued in full compliance with Title 35 of the United States Code.

ANSWER TO PARAGRAPH 10: BMWNA admits that the ‘950 patent is entitled “Automatic Venting System For A Vehicle with Obstruction Detection Utilizing Dynamically Modified Thresholds.” Except as expressly admitted herein, BMWNA denies all allegations of paragraph 10.

COUNT I

(INFRINGMENT OF UNITED STATES PATENT NO. 5,399,950)

11. Plaintiff incorporates paragraphs 1 through 10 herein by reference.

ANSWER TO PARAGRAPH 11: BMWNA fully incorporates its responses to paragraphs 1 through 10 as if set forth herein.

12. On information and belief, BMW has and continues to directly infringe one or more claims of the ‘950 patent, including at least claim 1, by making, using, offering for sale, selling and/or importing infringing systems including, but not limited to, the anti-trapping system in its E60 or BMW 5 Series automobiles.

ANSWER TO PARAGRAPH 12: BMWNA denies each and every allegation set forth in paragraph 12.

13. On information and belief, BMW has and continues to directly infringe one or more claims of the ‘950 patent, including at least claim 14, by practicing the methods claimed by one or more claims of the ‘950 patent including, but not limited to, BMW’s use of and actions related to the anti-trapping system in its E60 or BMW 5 Series automobiles.

ANSWER TO PARAGRAPH 13: BMWNA denies each and every allegation set forth in paragraph 13.

14. BMW has been aware of the ‘950 patent at least as early as service of this action.

ANSWER TO PARAGRAPH 14: BMWNA denies all allegations of paragraph 14.

15. On information and belief, BMW has and continues to indirectly infringe one or more claims of the ’950 patent by inducing other to infringe and/or contributing to the infringement of others in violation of 35 U.S.C. §§ 271 (b) and (c). On information and belief, BMW is aware, at least as early as service of this action, that the anti-trapping system in at least is E60 or BMW 5 Series automobiles is not a staple article or commodity of commerce suitable for substantial noninfringing use and is especially made and/or adapted for use in infringing the ‘950 patent.

ANSWER TO PARAGRAPH 15: BMWNA denies each and every allegation set forth in paragraph 15.

16. BMW’s actions complained of herein will continue unless BMW is enjoined by this Court.

ANSWER TO PARAGRAPH 16: BMWNA denies all allegations of paragraph 16.

17. This case is exceptional pursuant to the provisions of 35 U.S.C. § 285.

ANSWER TO PARAGRAPH 17: BMWNA denies the allegations of paragraph 17.

18. Plaintiff has complied with 35 U.S.C. § 287.

ANSWER TO PARAGRAPH 18: BMWNA is without sufficient information to admit or deny the allegations of paragraph 18, and on that basis, BMWNA denies all allegations therein.

19. BMW’s actions complained of herein are causing irreparable harm and monetary damage to Plaintiff and will continue to do so unless and until the BMW is enjoined and restrained by this Court.

ANSWER TO PARAGRAPH 19: BMWNA denies each and every allegation set forth in paragraph 19.

BMWNA'S AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE
(Failure to State Sufficient Facts to Constitute Claims)

20. Anti-Pinch fails to state a claim on which relief may be granted.

SECOND AFFIRMATIVE DEFENSE
(Invalidity)

21. The '950 patent (the "Asserted Patent") is invalid for failure to comply with the requirements of patentability stated in Title 35, United States Code § 1, *et seq*.

THIRD AFFIRMATIVE DEFENSE
(Laches)

22. Anti-Pinch is time barred under the doctrine of laches to bring this action against BMWNA. Anti-Pinch unreasonably delayed in filing this action, and unreasonably delayed in prosecuting the asserted claims, after Anti-Pinch knew, or should have known of the alleged infringing acts. In the interim, BMWNA has invested time and money into building its business and goodwill. To allow Anti-Pinch to bring an action now after its unreasonable delay would result in material prejudice to BMWNA.

FOURTH AFFIRMATIVE DEFENSE
(Innocent Intent)

23. BMWNA has engaged in all relevant activities in good faith, thereby precluding Anti-Pinch, even if it prevails, from recovering its reasonable attorney's fees and/or costs under 35 U.S.C. § 285.

FIFTH AFFIRMATIVE DEFENSE
(Prosecution History Estoppel)

24. By reason of proceedings in the United States Patent and Trademark Office during the prosecution of the application that ultimately led to the issuance of the Asserted Patent, Anti-Pinch is estopped from asserting that any claim of the Asserted Patent is infringed by BMWNA under the doctrine of equivalents for one or more of Anti-Pinch's asserted claims.

COUNTERCLAIMS

Counter-Plaintiff BMWNA alleges as follows for its Counterclaims against Counter-Defendant Anti-Pinch.

NATURE OF THE LAWSUIT

1. This Counterclaim is an action for a declaration of patent non-infringement, patent invalidity, and unenforceability arising under the Declaratory Judgment Act, 28 U.S.C. § 2201, *et seq*., and the patent laws of the United States, 35 U.S.C. § 1, *et seq*.

THE PARTIES

2. Counterclaimant BMWNA is a Delaware limited liability company with its principal place of business at 300 Chestnut Ridge Road, Woodcliff Lake, New Jersey 07677.

3. The Complaint alleges that Anti-Pinch is a Texas Limited Liability Company with its registered agent in Austin, Texas.

JURISDICTION AND VENUE

4. This Court has subject matter jurisdiction over these counterclaims based on 28 U.S.C. §§ 1331, 1338, 2201-02 and under Fed. R. Civ. P. 13(a) in that this is a compulsory counterclaim to the allegations of the Complaint.

5. Venue is proper in this judicial district because the declaratory relief sought is a compulsory counterclaim to claims filed by Anti-Pinch in this case and pursuant to 28 U.S.C. §§ 1367 and 1391(b).

6. By virtue of the Complaint filed by Anti-Pinch in this action, there is an actual and justiciable controversy between BMWNA and Anti-Pinch concerning non-infringement, invalidity, and unenforceability with respect to the Asserted Patent. A judicial declaration is needed and appropriate to resolve this controversy.

COUNT I—INVALITITY—NON-INFRINGEMENT—UNENFORCEABILITY

7. BMWNA realleges and incorporates herein the foregoing responses and allegations.

8. BMWNA seeks a declaration that the products made, used, imported, sold or offered for sale by BMWNA have not and do not infringe, directly or indirectly, any valid and enforceable claim of the Asserted Patent and/or that the Asserted Patent is either invalid or otherwise unenforceable for one or more of the grounds set forth in 35 U.S.C. § 1, *et seq*.

9. This case qualifies as an exceptional case under 35 U.S.C. § 285.

PRAYER FOR RELIEF

WHEREFORE, BMWNA respectfully requests that this Court:

A. Dismiss Anti-Pinch’s Complaint with prejudice;

B. Order and adjudge that BMWNA has not infringed any valid, enforceable claim of the Asserted Patent;

C. Order and adjudge that the Asserted Patent is invalid under the patent laws of the United States for failure to comply with the requirements of patentability set forth in Title 35, United States Code § 1, *et seq*.;

D. Order and adjudge that the Asserted Patent is unenforceable;

E. Order and adjudge that this case is exceptional pursuant to 35 U.S.C. § 285, and award BMWNA its reasonable attorney's fees; and

F. Grant BMWNA such further relief as this Court deems just and appropriate.

JURY DEMAND

BMWNA hereby demands a jury trial on all issues so triable in this case.

REQUEST FOR EXEMPTION FROM MANDATORY ARBITRATION

Pursuant to Local Civil Rule 301.1(d)(1), BMWNA requests exemption from mandatory arbitration because the amount at issue in this action exceeds $150,000 and the matter involves complex legal issues arising under the patent laws of the United States.

Respectfully submitted,

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ATTORNEYS FOR DEFENDANT
BMW OF NORTH AMERICA, LLC

Dated: September 8, 2010

CERTIFICATE OF SERVICE

Christopher J. Dalton, of full age, hereby certifies as follows:

1. I am counsel in the law firm of Buchanan Ingersoll & Rooney PC, counsel for defendant BMW of North America, LLC ("BMWNA") in the above-captioned matter.

2. On this date, I caused a true and correct copy of BMWNA's Answer with Affirmative Defenses and Counterclaim to be filed electronically utilizing the CM/ECF system.

3. A copy of the foregoing document was served by U.S. mail on this date upon the following:

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I declare under penalty of perjury that the foregoing is true and correct.

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